



PRESS RELEASE

Internal Revenue Service - Criminal Investigation
Chief Richard Weber

Date: April 15, 2016

Contact: *CI-HQ-COMMUNICATIONSEDUCATION@ci.irs.gov
IRS – Criminal Investigation

CI Release #: CI-2016-04-15-C

Owners of Tax Preparation Business Get Multi-Year Prison Sentences for Filing Bogus Tax Returns for Prison Inmates

The owners of a tax preparation business that filed fraudulent tax returns on behalf of inmates at various New Jersey prisons were each sentenced today to multi-year prison sentences, announced Acting Assistant Attorney General Caroline D. Ciraolo of the Justice Department's Tax Division and U.S. Attorney Paul J. Fishman for the District of New Jersey.

Kamal J. James aka Bro Messiah Aziz El, 34, of Seaford, Delaware, and Crystal G. Hawkins aka Sis. Crystal Gabri El, 39, of Laurel, Delaware, were sentenced to 96 and 48 months in prison, respectively. They were previously charged in a superseding indictment with one count of conspiracy, 16 counts of making false claims and three counts of mail fraud. They were convicted on all counts following a one-week trial before U.S. District Judge Peter G. Sheridan for the District of New Jersey, who imposed the sentences today in Trenton, New Jersey federal court.

According to the superseding indictment and the evidence presented at trial:

Between October 2011 and October 2013, James and Hawkins operated Release Refunds, a purported tax preparation business – previously based in Brick, New Jersey, and in Seaford – through which they solicited current and former New Jersey prison inmates as clients and then filed fraudulent tax returns on their behalf. The company is no longer in business.

James and Hawkins sent Release Refunds "promotional" flyers to inmates at various New Jersey prisons and halfway houses offering tax return preparation services. The pair asked inmates interested in Release Refunds' services to provide basic identification information and to sign income tax returns and other Internal Revenue Service (IRS) documents, but not to include any information about their income or withholdings. James and Hawkins then filled in the missing income information on the return forms, fabricating the inmates' earnings to trigger fraudulent and inflated refunds.

During the course of the investigation, an undercover IRS-Criminal Investigation agent posing as an inmate in a New Jersey prison submitted a completed Release Refunds form and sent it to James and Hawkins. They then sent the “inmate” blank income tax forms and other IRS documents and instructions to sign the documents. James and Hawkins did not request any financial information from the undercover agent before preparing three fraudulent tax returns – including false income information that James and Hawkins provided – to be filed on behalf of the agent for tax years 2010 through 2012. The fraudulent returns resulted in several thousand dollars in refunds and a \$1,485 fee for the defendants.

In addition to the prison terms, Judge Sheridan sentenced both James and Hawkins to three years of supervised release and ordered them to pay restitution in the amount of \$570,897.

Acting Assistant Attorney General Ciraolo and U.S. Attorney Fishman credited special agents of IRS-Criminal Investigation, under the direction of Special Agent in Charge Jonathan D. Larsen, with the investigation leading to today’s sentences. They also thanked the U.S. Postal Inspection Service, under the direction of Assistant Inspector in Charge James V. Buthorn and the New Jersey Department of Corrections, under the direction of Commissioner Gary M. Lanigan, for their roles in the case.

The government is represented by Assistant U.S. Attorney Nicholas P. Grippo of the U.S. Attorney’s Office Criminal Division in Trenton and former Trial Attorney Thomas Jaworski of the Tax Division.

#